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## PENCE STATEMENT ON MEDICARE BILL

**Washington, Nov 21, 2003** - WASHINGTON, D.C. – Congressman Mike Pence released the following statement today regarding the Medicare reform bill that was pulled from consideration in the U.S. House today.

“Although I do not relish the role I played in this debate today, I do believe pulling this bill is in the best interest of the American taxpayer. Our children and our children’s children were saved a great tax burden today.

“This bill would have created the largest new federal entitlement since 1965. Instead of focusing scarce federal resources on seniors struggling with the cost of prescription drugs, the Prescription Drug and Medicare Modernization Act of 2003 would have ushered in the beginning of socialized medicine in America.

“The creation of a universal drug program is fiscally irresponsible and not necessary for most seniors who already have prescription coverage.

“This entitlement would have added at least \$3 trillion dollars in new Medicare unfunded liabilities when the United States government is already carrying \$20 trillion in unfunded liabilities in the form of benefits already promised to seniors in Medicare and Social Security.

“This entitlement is unnecessary for most seniors, seventy-six percent of whom already have prescription drug coverage. According to the Congressional Budget Office, under this legislation, more than a third of retired Americans who enjoy coverage from a former employer, could lose that coverage.

“This type of program, which is built on unrealistic fiscal projections and incorrect assumptions about human behavior, will invariably lead to the kinds of escalating costs for which price controls and outright government management will be inevitable.

“By pulling this bill and starting over, Congress can help seniors near the poverty level and pass real reform, giving Americans the same choices that members of Congress have instead of creating a massive, new federal entitlement.”

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